

# **YUBA COUNTY**

Audit Report

## **COURT REVENUES**

*July 1, 2004, through June 30, 2009*



**JOHN CHIANG**  
California State Controller

October 2011



**JOHN CHIANG**  
**California State Controller**

October 20, 2011

Honorable Dean E. Sellers  
Auditor-Controller  
Yuba County  
915 Eighth Street, Suite 105  
Marysville, CA 95901

H. Stephen Konishi  
Court Executive Officer  
Yuba County Superior Court  
215 Fifth Street, Suite 200  
Marysville, CA 95901

Dear Mr. Sellers and Mr. Konishi:

The State Controller's Office audited Yuba County's court revenues for the period of July 1, 2004, through June 30, 2009.

Our audit disclosed that the county overremitted a net of \$161,739 in court revenues because it:

- Underremitted 50% excess qualified fines, fees, and penalties by \$412,902;
- Underremitted distributions for city-based red-light fines by \$100,278;
- Overremitted distributions for city-based red-light with traffic violator school fees by \$638,254; and
- Overremitted distributions for traffic violator school fees by \$36,665.

The County Auditor-Controller's Office should reduce subsequent remittances to the State Treasurer by \$161,739.

The county should differentiate the individual accounts making up this amount on the bottom portion of the monthly TC-31, Remittance to State Treasurer, in accordance with standard remittance procedures. The county should state on the remittance advice that the account adjustments relate to the SCO audit for the period of July 1, 2004, through June 30, 2009.

Please mail a copy of the TC-31 and documentation supporting the corresponding adjustment(s) to the attention of the following individuals:

Joe Vintze, Audit Manager  
Division of Audits  
State Controller's Office  
Post Office Box 942850  
Sacramento, CA 94250-5874

Cindy Giese, Collections Supervisor  
Division of Accounting and Reporting  
Bureau of Tax Administration  
Post Office Box 942850  
Sacramento, CA 94250

Honorable Dean E. Sellers  
H. Stephen Konishi

-2-

October 20, 2011

If you have any questions, please contact Steven Mar, Chief, Local Government Audits Bureau,  
at (916) 324-7226.

Sincerely,

*Original signed by*

JEFFREY V. BROWNFIELD  
Chief, Division of Audits

JVB/sk

cc: John Judnick, Senior Manager  
Internal Audit Services  
Judicial Council of California  
Julie Nauman, Executive Officer  
Victim Compensation and Government Claims Board  
Greg Jolivette  
Legislative Analyst's Office  
Sandeep Singh, Fiscal Analyst  
Division of Accounting and Reporting  
State Controller's Office  
Cindy Giese, Supervisor, Tax Programs Unit  
Division of Accounting and Reporting  
State Controller's Office

# Contents

## Audit Report

<b>Summary .....</b>	<b>1</b>
<b>Background .....</b>	<b>1</b>
<b>Objective, Scope, and Methodology .....</b>	<b>1</b>
<b>Conclusion .....</b>	<b>2</b>
<b>Follow-Up on Prior Audit Findings .....</b>	<b>2</b>
<b>Views of Responsible Officials.....</b>	<b>2</b>
<b>Restricted Use .....</b>	<b>3</b>
<b>Schedule 1—Summary of Audit Findings by Fiscal Year .....</b>	<b>4</b>
<b>Schedule 2—Summary of Underremittances by Month, Trial Court Improvement Fund .....</b>	<b>5</b>
<b>Schedule 3—Summary of Underremittances by Month, State Court Facilities Construction Fund .....</b>	<b>6</b>
<b>Schedule 4—Summary of Overremittances by Month.....</b>	<b>7</b>
<b>Findings and Recommendations.....</b>	<b>8</b>
<b>Attachment—County Auditor-Controller’s Response to Draft Audit Report</b>	

# Audit Report

## Summary

The State Controller's Office (SCO) performed an audit to determine the propriety of court revenues remitted to the State of California by Yuba County for the period of July 1, 2004, through June 30, 2009.

Our audit disclosed that the county overremitted a net of \$161,739 in court revenues to the State Treasurer because it:

- Underremitted the 50% excess qualified fines, fees, and penalties by \$412,902;
- Underremitted distributions for city-based red-light fines by \$100,278;
- Overremitted distributions for city-based red-light with traffic violator school fees by \$638,254; and
- Overremitted distributions for traffic violator school fees by \$36,665.

## Background

State statutes govern the distribution of court revenues, which include fines, penalties, assessments, fees, restitutions, bail forfeitures, and parking surcharges. Whenever the State is entitled to a portion of such money, the court is required by Government Code section 68101 to deposit the State's portion of court revenues with the county treasurer as soon as practical and to provide the county auditor with a monthly record of collections. This section further requires that the county auditor transmit the funds and a record of the money collected to the State Treasurer at least once a month.

Government Code section 68103 requires that the State Controller determine whether or not all court collections remitted to the State Treasurer are complete. Government Code section 68104 authorizes the State Controller to examine records maintained by any court. Furthermore, Government Code section 12410 provides the State Controller with general audit authority to ensure that state funds are properly safeguarded.

## Objective, Scope, and Methodology

Our audit objective was to determine whether the county completely and accurately remitted court revenues in a timely manner to the State Treasurer for the period of July 1, 2004, through June 30, 2009. We did not review the timeliness of any remittances the county may be required to make under Government Code sections 70353, 77201.1(b)(1), and 77201(b)(2).

To meet our objective, we reviewed the revenue-processing systems within the county's Superior Court, Revenue & Recovery Department (Probation), and Auditor-Controller's Office.

We performed the following procedures:

- Reviewed the accuracy of distribution reports prepared by the county, which show court revenue distributions to the State, the county, and the cities located within the county.
- Gained an understanding of the county's revenue collection and reporting processes by interviewing key personnel and reviewing documents supporting the transaction flow.
- Analyzed various revenue accounts reported in the county's monthly cash statements for unusual variations and omissions.
- Evaluated the accuracy of revenue distribution using as criteria various California codes and the SCO's Manual of Accounting and Audit Guidelines for Trial Courts.
- Tested for any incorrect distributions.
- Expanded any tests that revealed errors to determine the extent of any incorrect distributions.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We did not audit the county's financial statements. We considered the county's internal controls only to the extent necessary to plan the audit. This report relates solely to our examination of court revenues remitted and payable to the State of California. Therefore, we do not express an opinion as to whether the county's court revenues, taken as a whole, are free from material misstatement.

## **Conclusion**

Yuba County overremitted a net of \$161,739 in court revenues to the State Treasurer. The overremittances are summarized in Schedule 1 and described in the Findings and Recommendations section.

## **Follow-Up on Prior Audit Findings**

The county has satisfactorily resolved the findings noted in our prior audit report, issued February 24, 2006, with the exception of prioritization of installment payments and maintenance of effort distribution calculations.

## **Views of Responsible Officials**

We issued a draft audit report on December 10, 2010. Dean E. Sellers, Auditor-Controller, and H. Stephen Konishi, Court Executive Officer, responded by letter dated January 14, 2011 (Attachment), agreeing with the audit results.

**Restricted Use**

This report is solely for the information and use of Yuba County, the Yuba County Superior Court, the Judicial Council of California, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Original signed by*

JEFFREY V. BROWNFIELD  
Chief, Division of Audits

October 20, 2011

**Schedule 1—  
Summary of Audit Findings by Fiscal Year  
July 1, 2004, through June 30, 2009**

Description	Account Title <sup>1</sup>	Code Section <sup>2</sup>	Fiscal Year					Total	Reference <sup>3</sup>
			2004-05	2005-06	2006-07	2007-08	2008-09		
Overremitted 50% excess of qualified fines, fees, and penalties	Trial Court Improvement Fund	GC §77205(a)	\$ 2,688	\$ 138,282	\$ 130,476	\$ 86,970	\$ 54,486	\$ 412,902	Finding 1
Incorrect distribution for city-based red-light fees	20% State Surcharge	PC §1465.7	420	19,261	21,094	18,283	16,264	75,322	Finding 14
	State Penalties	PC §1464	(90)	(4,003)	(2,457)	56	(1,400)	(7,894)	Finding 14
	DNA Penalties	GC §76104.6	104	4,786	5,121	3,219	1,435	14,665	Finding 14
	DNA Penalties	GC §76104.7	—	—	4,290	8,584	5,741	18,615	Finding 14
	Court Construction Facilities Penalties	GC §70372(a)	(17)	(617)	(188)	390	4,179	3,747	Finding 14
	2% Court Automation Fees	GC §68090.8	—	(1,013)	(1,186)	(1,115)	(863)	(4,177)	Finding 14
Incorrect distribution for city-based red-light w/traffic violator school fees	20% State Surcharge	PC §1465.7	159	9,663	9,612	5,007	2,727	27,168	Finding 15
	State Penalties	PC §1464	(2,968)	(180,376)	(168,480)	(101,546)	(89,909)	(543,279)	Finding 15
	DNA Penalties	GC §76104.6	(298)	(18,082)	(14,327)	(5,679)	(3,406)	(41,792)	Finding 15
	DNA Penalties	GC §76104.7	—	—	(10,886)	(15,146)	(13,623)	(39,655)	Finding 15
	Court Construction Facilities Penalties	GC §70372(a)	25	1,546	2,635	1,311	5,390	10,907	Finding 15
	2% Court Automation Fees	GC §68090.8	(371)	(22,547)	(21,708)	—	(6,977)	(51,603)	Finding 15
Incorrect distribution for traffic violator school	20% State Surcharge	PC §1465.7	687	1,479	2,774	2,711	2,651	10,302	Finding 16
	DNA Penalties	GC §76104.6	(3,599)	(7,964)	(8,161)	(3,641)	(2,608)	(25,973)	Finding 16
	DNA Penalties	GC §76104.7	—	—	(7,319)	(9,709)	(10,433)	(27,461)	Finding 16
	Court Construction Facilities Penalties	GC §70372(a)	352	760	1,402	1,354	2,599	6,467	Finding 16
Net amount under/(over)remitted to the State Treasurer			<u>\$ (2,908)</u>	<u>\$ (58,825)</u>	<u>\$ (57,308)</u>	<u>\$ (8,951)</u>	<u>\$ (33,747)</u>	<u>\$ (161,739)</u>	

<sup>1</sup> The identification of state revenue account titles should be used to ensure proper recording when preparing the remittance advice (TC-31) to the State Treasurer.

<sup>2</sup> Legend: GC-Government Code; PC=Penal Code

<sup>2</sup> See the Findings and Recommendations section.



**Schedule 2—  
Summary of Underremittances by Month  
Trial Court Improvement Fund  
July 1, 2004, through June 30, 2009**

Month	Fiscal Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
July	\$ —	\$ —	\$ —	\$ —	\$ —
August	—	—	—	—	—
September	—	—	—	—	—
October	—	—	—	—	—
November	—	—	—	—	—
December	—	—	—	—	—
January	—	—	—	—	—
February	—	—	—	—	—
March	—	—	—	—	—
April	—	—	—	—	—
May	—	—	—	—	—
June	2,688	138,282	130,476	86,970	54,486
Total underremittances to the State Treasurer	<u>\$ 2,688</u>	<u>\$ 138,282</u>	<u>\$ 130,476</u>	<u>\$ 86,970</u>	<u>\$ 54,486</u>

**Schedule 3—  
Summary of Underremittances by Month  
State Court Facilities Construction Fund  
July 1, 2004, through June 30, 2009**

Month	Fiscal Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
Superior Court:					
July	\$ 31	\$ 192	\$ 336	\$ 254	\$ 1,014
August	31	192	336	254	1,014
September	31	192	336	254	1,014
October	31	192	336	254	1,014
November	31	192	336	254	1,014
December	31	192	336	255	1,014
January	31	192	336	255	1,014
February	32	192	337	255	1,014
March	32	192	337	255	1,014
April	32	192	337	255	1,014
May	32	193	337	255	1,014
June	32	193	337	255	1,014
Total underremittances to the State Treasurer	<u>\$ 377</u>	<u>\$ 2,306</u>	<u>\$ 4,037</u>	<u>\$ 3,055</u>	<u>\$ 12,168</u>

**Schedule 4—  
Summary of Overremittances by Month  
July 1, 2004, through June 30, 2009**

Month	Fiscal Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
Superior Court:					
July	\$ 611	\$ 19,550	\$ 19,559	\$ 11,403	\$ 10,768
August	612	19,550	19,559	11,403	10,768
September	612	19,550	19,559	11,403	10,768
October	612	19,550	19,559	11,403	10,768
November	612	19,550	19,559	11,403	10,768
December	612	19,550	19,559	11,403	10,768
January	612	19,550	19,559	11,403	10,768
February	612	19,550	19,559	11,403	10,768
March	612	19,550	19,560	11,403	10,768
April	612	19,550	19,560	11,403	10,769
May	612	19,551	19,560	11,403	10,769
June	612	19,551	19,560	11,403	10,769
Total overremittances to the State Treasurer	<u>\$ 7,343</u>	<u>\$ 234,602</u>	<u>\$ 234,712</u>	<u>\$ 136,836</u>	<u>\$ 129,219</u>

# Findings and Recommendations

## **FINDING 1— Underremitted excess of qualified fines, fees, and penalties**

The County Auditor-Controller's Office underremitted by \$412,902 the 50% excess of qualified fines, fees, and penalties to the State Treasurer for the five fiscal-year (FY) period starting July 1, 2004, and ending June 30, 2009.

Government Code (GC) section 77201(b)(2) requires Yuba County, for its base revenue obligation, to remit \$289,325 for FY 1998-99 and each fiscal year thereafter. In addition, GC section 77205(a) requires the county to remit to the Trial Court Improvement Fund 50% of qualified revenues that exceed the stated base for each fiscal year.

The error occurred because the county used incorrect entries in its maintenance-of-effort (MOE) distribution working papers and as a result of conditions identified as follows:

- As stated in Finding 14, the Yuba County Superior Court incorrectly computed distributions for the first 30% portion of red-light violations for the City of Marysville. The adjustment caused an increase in county base fines by \$2,438 (75% of \$3,250) and 30% county share of state penalties by \$2,177 as part of the MOE calculations.
- As stated in Finding 15, the Yuba County Superior Court incorrectly computed distributions for the first 30% portion of red-light violations when traffic school was referred for the City of Marysville, and incorrectly distributed traffic violator school (TVS) fees as fines, penalties, and fees. The adjustment caused an increase in TVS bail by \$1,066,629 (77% of \$1,385,233), and decreases in county base fines by \$83,166 (75% of \$110,888) and 30% county share of state penalties by \$226,949 as part of the MOE calculations.
- As stated in Finding 16, the Yuba County Superior Court incorrectly computed the distributions for violations involving traffic violator school fees. The adjustment caused an increase in TVS bail by \$71,061 (77% of \$92,288) as part of the MOE calculations.
- As stated in Finding 17, the Yuba County Superior Court did not correctly distribute \$1 to the Criminal Justice Facility Fund and \$1 to the Court Construction Fund from the county's 23% portion of TVS fees. The adjustment caused an increase TVS fees by \$34,501 (77% of \$44,806) as part of the MOE calculations.
- When preparing the MOE, the county incurred scheduling errors that did not include all revenues for a proper calculation. The adjustment caused the following increases: 30% of eligible state penalties by \$23,868, TVS fees by \$32,705, 100% of TVS \$24 fee by \$41, and citation processing fees by \$30. A net total of \$56,644 should have been included in the MOE.
- When preparing the MOE, the county incurred scheduling errors that inappropriately included revenues for a proper calculation. The adjustment caused the following decreases: county base fines by

\$58,020, 30% of eligible state penalties by \$38,946 and TVS \$24 fee by \$564. A net total of \$97,530 should not have been included in the MOE.

The qualified revenues reported for FY 2004-05 were \$723,436. The excess, above the base of \$289,325, is \$434,111. This amount should be divided equally between the county and the State, resulting in \$217,055 excess due the State. The county has remitted a previous payment of \$214,368, causing an underremittance of \$2,688.

The qualified revenues reported for FY 2005-06 were \$1,277,060. The excess, above the base of \$289,325, is \$987,735. This amount should be divided equally between the county and the State, resulting in \$493,868 excess due the State. The county has remitted a previous payment of \$355,586, causing an underremittance of \$138,282.

The qualified revenues reported for FY 2006-07 were \$1,455,455. The excess, above the base of \$289,325, is \$1,166,130. This amount should be divided equally between the county and the State, resulting in \$583,065 excess due the State. The county has remitted a previous payment of \$452,590, causing an underremittance of \$130,476.

The qualified revenues reported for FY 2007-08 were \$1,223,792. The excess, above the base of \$289,325, is \$934,467. This amount should be divided equally between the county and the State, resulting in \$467,233 excess due the State. The county has remitted a previous payment of \$380,263, causing an underremittance of \$86,970.

The qualified revenues reported for FY 2008-09 were \$939,441. The excess, above the base of \$289,325, is \$650,116. This amount should be divided equally between the county and the State, resulting in \$325,058 excess due the State. The county has remitted a previous payment of \$270,572, causing an underremittance of \$54,486.

The underremittances had the following effect:

Account Title	Understated/ (Overstated)
Trial Court Improvement Fund–GC §77205:	
FY 2004-05	\$ 2,688
FY 2005-06	138,282
FY 2006-07	130,476
FY 2007-08	86,970
FY 2008-09	54,486
County General Fund	(412,902)

### Recommendation

The county should remit \$412,902 to the State Treasurer and report on the remittance advice form (TC-31) an increase to the Trial Court Improvement Fund–GC section 77205. The county should also make the corresponding account adjustments.

**FINDING 2—  
Incorrect reporting of  
state penalties**

The County Auditor-Controller's Office mistakenly reported state penalties for the months of January 2007 (FY 2006-07), and September 2007 and May 2008 (FY 2007-08) as Traumatic Brain Injury Penalty Fund in the amount of \$130,442. Penal Code (PC) section 1464 requires distribution of 70% of state penalties to be transmitted to the State and the remaining 30% to be deposited in the County General Fund. During the transferring of two different amounts for state penalties on the county's monthly consolidated working papers, County Auditor-Controller's Office staff members inadvertently transposed one of these amounts to the Traumatic Brain Injury line item on the TC-31 on three separate occasions. Two of the three transposing errors were identified by County Auditor-Controller's Office staff members and a letter was submitted to the State Treasurer's Office, and the third error was adjusted by the county in the consolidated working papers.

The state penalties are understated and the Traumatic Brain Injury Fund is overstated. Additionally, if the county did not discover this error in time, the county's MOE calculations for the two fiscal years would be understated accordingly for state penalties.

The under- and overremittances had the following effect:

Account Title	Understated/ (Overstated)
State penalties-PC §1464 (FY 2006-07)	\$ 48,979
State penalties-PC §1464 (FY 2007-08)	81,463
State penalties-PC §1464(b)-Traumatic Brain Injury	(130,442)

**Recommendation**

Because both revenue accounts are remitted to the State Treasurer's Office, there is no fiscal shortfall to the State. However, the county should make the corresponding account adjustments to its records.

**FINDING 3—  
Incorrect reporting of  
State Court Facilities  
Construction Fund**

The County Auditor-Controller's Office mistakenly reported State Court Facilities Construction Fund penalties on criminal fines as Response in Unlimited Civil Cases fees for the month of January 2008 (FY 2007-08) in the amount of \$8,064. During the transferring of the amount from its monthly consolidated working papers, County Auditor-Controller's Office staff members inadvertently transposed the amount to the State Court Facilities Construction Fund for Response in Unlimited Civil Cases fees.

Effective January 1, 2003, GC section 70372(a) states there shall be levied a state court construction penalty, in the amount of \$5 for every \$10 or fraction thereof upon every fine, penalty, or forfeiture imposed and collected by the courts for all criminal offenses (to include infractions of Vehicle Code (VC) section 42007 TVS fees. Prior to an agreement between the county and Judicial Council (State) for responsibility for courthouse construction and maintenance, the penalties remitted to the State are reduced by the difference, if any, between the \$5 and the amount of the local penalty remitted to the Local Courthouse Construction Fund pursuant to GC section 76100, but not limited to, the penalty provided by PC section 1464.

The State Court Facilities Construction Fund–Penalty on Criminal Cases is understated and the fund for Responses in Unlimited Civil Cases is overstated.

The under- and overremittances had the following effect:

Account Title	Understated/ (Overstated)
State Court Facilities Construction Fund–GC §70372(a)– Penalty on Criminal Fines (FY 2007-08) Response in Unlimited Civil Case	\$ 8,064 (8,064)

#### Recommendation

Because both accounts are remitted to the State Treasurers' Office, there is no fiscal shortfall to the State. However, the county should make the corresponding account adjustments to its records.

#### **FINDING 4— Incorrect reporting of DNA Additional Penalty Assessments**

The County Auditor-Controller's Office mistakenly reported DNA Additional Penalty Assessments for GC section 76104.7 as Vehicle Asset Forfeitures for the month of December 2008 (FY 2008-09) in the amount of \$28,636. During the transferring of the amount from its monthly consolidated working papers, County Auditor-Controller's Office staff inadvertently transposed the amount to Vehicle Asset Forfeitures for the City of Marysville.

Starting July 12, 2006, GC section 76104.7 states that there shall be levied an additional state-only penalty \$1 for every \$10 or fraction thereof upon every fine, penalty, and forfeiture imposed and collected by the courts for all criminal offenses, but excludes parking offenses. The DNA identification penalty assessment is levied and collected in the same manner as the state penalty imposed per PC section 1464, and 100% should be distributed, including interest, to the State DNA Identification Fund.

The DNA Additional Penalty Assessment account for the month is understated while the Vehicle Asset Forfeiture account is overstated.

The under- and overremittances had the following effect:

Account Title	Understated/ (Overstated)
DNA Identification Fund–GC §76104.7 (FY 2008-09) Vehicle Asset Forfeiture–VC §14607.6–City of Marysville	\$ 28,636 (28,636)

#### Recommendation

Because both accounts are remitted to the State Treasurer's Office, there is no fiscal shortfall to the State. However, the county should make the corresponding account adjustments to its records.

**FINDING 5—  
Unremitted State Court  
Facilities Construction  
Fund—Immediate and  
Critical Needs account  
revenues**

The County Auditor-Controller's Office mistakenly held in trust accounts revenues that otherwise should have been remitted to various Immediate and Critical Needs accounts of the State Court Facilities Construction Fund for the period of January 1 through June 30, 2009, in the amount of \$200,884. County Auditor-Controller's Office staff members misinterpreted the guidance they received in their discussion with staff members of the Superior Court on how to handle the revenues collected by the courts as a result of the implementation of this new statute requirement.

Starting January 1, 2009, GC section 70373(a)(1) states that an assessment shall be imposed on every conviction for a criminal offense, including a traffic offense, except parking offenses for each misdemeanor or felony (\$35) and (\$30) for each infraction, to be deposited monthly into the Immediate and Critical Needs account of the State Court Facilities Construction Fund established pursuant to GC section 70371.5.

Starting January 1, 2009, VC section 40611 states that a fee of \$25 be collected for each violation, and for each citation \$10 shall be allocated monthly as follows: 33% to the local entity in whose jurisdiction the citation was issued, 33% shall be transferred to the State, and 33% to the County General Fund. The remainder of the fees collected on each citation shall be deposited monthly into the Immediate and Critical Needs account of the State Facilities Construction Fund established pursuant to GC section 70371.5.

Starting January 1, 2009, VC section 42007.1 states that a fee of \$49 be collected, and that the fee shall be split with 51% of the amount deposited monthly into the Immediate and Critical Needs account of the State Court Facilities Construction Fund established pursuant to GC section 70371.5.

The various Immediate and Critical Needs accounts of the State Court Facilities Construction Fund are understated.

The under- and overremittances had the following effect:

Account Title	Understated/ (Overstated)
State Court Facilities Construction Fund—	
Immediate and Critical Needs account:	
GC §70373—Assessment on Infraction Convictions	\$ 133,502
VC §42007.1—Traffic Violator School fees	47,433
VC §40611—Proof of Correction	14,712
GC 70373—Assessment on Misdemeanor and Felony Convictions	5,237
County:	
INICNA—GC §70373	(133,502)
TVICNA—VC §42007.1	(47,433)
PCICNA—VC §40611	(14,712)
CRICNA—GC §70373	(5,237)



Recommendation

The county should remit \$200,884 to the State Treasurer and report on the remittance advice (TC-31) increases of \$133,502 to the State Court Facilities Construction Fund–Immediate and Critical Needs account–GC §70373–Assessment on Infraction Convictions, \$47,433 to the State Facilities Construction Fund–Immediate and Critical Needs account–VC §42007.1–Traffic Violator School Fee, \$14,712 to the State Court Facilities Construction Fund–Immediate and Critical Needs account–VC §40611–Proof of Correction, and \$5,237 to the State Courts Facilities Construction Fund–Immediate and Critical Needs account–GC section 70373–Assessment on Misdemeanor and Felony Convictions. Also, the county should make the corresponding account adjustments.

During the course of the audit, the county did remit \$200,884 to the State Treasurer for the four Immediate and Critical Needs accounts.

**FINDING 6—  
Incorrect distribution  
for city-based red-light  
violations**

The Revenue and Recovery Department’s distributions for the first 30% portion on red-light violations were incorrect because the formulas for distribution are the same as for the courts’ distributions. County and court staff, working in a joint effort to align the department system with the courts’ automated system, were not aware that they had programmed the wrong components to compute the first 30% portion for red-light violations.

Effective January 1, 1998, fines for red-light offenses should have been distributed monthly in this manner: after deducting the allowable 2% court automation fee, 30% of the total bail (including state and local penalties) to the county or city general fund in which the offenses occurred; and the balance (70%) pursuant to PC sections 1463 and 1464, and GC section 76000.

PC section 1463.11 requires that 30% of red-light violations be distributed to the general fund of the county or city in which the offense occurred. In addition, if the red-light violation is referred to traffic violator school, VC section 42007.3 the first 30% of the amount collected shall be allocated to the general fund of the city or county in which the offense occurred.

Failure to accurately distribute fines for red-light violations causes an overstatement to cities and an understatement to the county and State. We did not measure fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

Recommendation

The Revenue and Recovery Department should update its automated system to accurately compute the 30% portion for red-light violations using the correct components. Also, the department should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

**FINDING 7—  
Incorrect distribution  
for city-based red-light  
violations with traffic  
violator school**

The Revenue and Recovery Department incorrectly computed distributions for the first 30% portion of red-light violations when traffic violator school was referred for the City of Marysville, and incorrectly distributed the Traffic Violator School Fee (TVS) as fines, penalties, and fees. This is because the formulas for distribution are the same as for the courts' distributions. County and court staff members, working in a joint effort to align the department's system with the courts' automated system, were not aware that they had programmed the wrong components to compute the first 30% portion for red-light violations and to distribute the balance as TVS fees when referred to traffic school.

Effective January , 1998, fines for red-light offenses should have been distributed monthly in this manner: after deducting the allowable 2% court automation fee, 30% of the total bail (including state and local penalties) to the county or city general fund in which the offenses occurred; and the balance (70%) pursuant to PC sections 1463 and 1464, and GC section 76000.

PC section 1463.11 requires that 30% of red-light violations be distributed to the general fund of the county or city in which the offense occurred. In addition, if the red-light violation is referred to traffic violator school, VC section 42007.3 requires the first 30% of the amount collected shall be allocated to the general fund of the city or county in which the offense occurred.

Effective July 1, 1998, when a defendant attends traffic violator school pursuant to VC section 42007 on a city arrest, the city will receive the same portion of the base fine that would have been allotted to it if the defendant had not attended traffic violator school.

Failure to accurately distribute fines for red-light violations causes city fines to be overstated and TVS fees understated affecting the revenues reported to the State Trial Court Improvement Fund under the MOE formula pursuant to GC section 77205. We did not measure the fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

**Recommendation**

The Revenue and Recovery Department should update its automated system to accurately compute the first 30% portion for red-light violations when a defendant is referred to traffic school and to distribute the balance as TVS fees. Also, the department should make the corresponding redistributions for the period of July 2009 through the date the current system is revised.

**FINDING 8—  
Incorrect distributions  
for \$1 Criminal  
Justice Facility Fund  
and \$1 Courthouse  
Construction Fund**

The Revenue and Recovery Department incorrectly distributed the \$1 to the Criminal Justice Facilities Fund and \$1 to the Courthouse Construction Fund on TVS-related violations. This is because the formulas for distribution are the same as for the courts' distributions. County and court staff, working in a joint effort to align the department's system with the courts' automated system, were not aware that they had programmed the \$2 to come out of the total TVS fees and not out of the county's 23% portion of TVS fees.

VC section 42007 requires the \$2 to be taken from the county's portion of TVS fees in any county in which funds are established pursuant to GC section 76100/101.

The incorrect distributions for the criminal justice facility and courthouse constructions funds will understate the TVS fees which that the county uses to compute its MOE. We did not measure the fiscal effect, as doing so is not material or cost effective due to the difficulty inherent in identifying and redistributing the various accounts.

Recommendation

The Revenue and Recovery Department should update its automated system to accurately reflect the correct distributions to the Criminal Justice Facility Fund and the Courthouse Construction Fund from the county's portion of TVS fees. Also, the department should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

**FINDING 9—  
Incorrect distributions  
for proof-of-correction  
fees**

The Revenue and Recovery Department incorrectly computed the 34% state share of distribution for proof-of-correction fees because the formulas for distribution are the same as for the courts' distributions. County and court staff, working in a joint effort to align the department's system with the courts' automated system, were not aware that they had programmed incorrect distribution formulas for proof-of-correction fees.

Proof-of-correction fees should have been distributed under VC section 40611 in this manner: 34% to the State Penalty Fund–Proof of Correction, 33% to the County General Fund, and 33% to the arresting entity.

Failure to accurately distribute proof-of-correction fees causes an understatement of revenue to the State and an overstatement of revenues to the county and cities. We did not measure the fiscal effect, as doing so is not material or cost effective due to the difficulty inherent in identifying and redistributing the various accounts.

Recommendation

The Revenue and Recovery Department should update its automated system to accurately reflect the correct distributions for proof-of-correction infractions. Also, the department should make the corresponding redistributions for the period July 2009 through the date on which the current system is revised.

**FINDING 10—  
Incorrect distributions  
for evidence-of-  
financial-responsibility  
violations**

The Revenue and Recovery Department is distributing evidence-of-financial-responsibility violations based on collection and not on conviction because the formulas for distribution are the same as for the courts' distributions. As a result, the fine component is levied as a fee without penalties. County and court staff, working in a joint effort to align the department's system with the courts' automated system, were not aware that they had programmed incorrect formulas for the distribution of evidence-of-financial-responsibility convictions.

A \$30.50 fee on each conviction of a proof-of-financial-responsibility violation identified under PC section 16028 is required to be distributed per conviction in this matter: \$17.50 to the County General Fund pursuant to PC section 1463.22(a), \$10 to the State General Fund pursuant to PC section 1463.22(c), and \$3 to the State Transportation Fund pursuant to PC section 1463.22(b).

Failure to make the required fine distribution upon each conviction of evidence-of-financial-responsibility violation causes distributions to the State and county to be inaccurately stated. We did not measure the fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

**Recommendation**

The Revenue and Recovery Department should update its automated system distributions for evidence-of-financial-responsibility violations, which should be based on convictions tallied on a count sheet at month-end. The department should also adjust the appropriate accounts and apply the changes to the month-end cash statement. Also, the department should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

**FINDING 11—  
Incorrect distributions  
on DUI cases**

The Revenue and Recovery Department was not applying the required special distribution on the fine component for driving under the influence (DUI) cases and, as a result, the special distributions on the fine component are levied as a fee without penalties. This is because the formulas for distribution are the same as for the courts' distributions. County and court staff members, working in a joint effort to align the department's system with the courts' automated system, were not aware that they had programmed the incorrect formulas for the special distributions on the fine component for DUI cases.

VC section 23536 requires that a DUI conviction be imposed a fine of not less than \$390 nor more than \$1,000; the fine component is inclusive of the special distributions for PC section 1463.14(a) (county alcohol laboratory amount), PC section 1463.16(a) (county's alcohol program amount), and PC section 1463.18 (Indemnification of Victims).

Therefore, PC section 1464 states there shall be levied a state penalty, in an amount equal to \$10 for \$10 or fraction thereof, upon every fine, penalty, or forfeiture imposed and collected by the courts for criminal offenses, except parking offenses involving a violation of a section of the Vehicle Code or any local ordinance adopted pursuant to the Vehicle Code.

Failure to make the required priority distributions causes distributions to base fines to be overstated and state and county penalties to be understated. We did not measure the fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

#### Recommendation

The Yuba County Superior Court should update its formulas in its automated system to ensure that DUI violations are correctly distributed in accordance with statutory requirements. Also, the Revenue and Recovery Department should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

#### **FINDING 12— Incorrect distributions for TVS violations**

The Revenue and Recovery Department is not distributing equal amounts for both Emergency Medical Service (EMS) penalty assessments on traffic violator school cases. Further, the distributions to the Courthouse Construction Fund and the Criminal Justice Facility Fund from TVS fees are not equal amounts. Finally, inappropriate distributions are made to both DNA penalty assessment funds from TVS fees. This is because the formulas for distribution are the same as for the courts' distributions. County and court staff members, working in a joint effort to align the department's with the courts' automated system, were not aware that they had programmed incorrect distribution formulas for TVS violations.

Effective January 2000, for all TVS violations, VC section 42007 requires that \$2 for every \$7 county penalty that would have been collected pursuant to GC section 76000, shall be deposited into a Maddy Emergency Medical Services (EMS) Fund. Additionally, in any county in which a fund is established pursuant GC sections 76100 and 76101, requires a distribution of \$1 for each Courthouse Construction Fund (CCF) and Criminal Justice Facility Fund (CJF) from the distributions of the county's share of TVS fees collected.

Effective January 2006, GC section 76000.5 states that, upon county board of supervisors' board resolution, the county can assess an additional \$2 EMS penalty against all fines, including traffic violator school.

Effective November 2004, GC section 76107.6 requires a \$1 DNA penalty for every \$10 or fraction thereof upon every fine, penalty, and forfeiture levied on criminal offenses including traffic offenses, but excludes parking offenses. Therefore, it is part of the TVS fee pursuant to VC section 42007, and there is no specific distribution to the DNA fund from the TVS fees.

Effective July 2006, GC section 76104.7 requires an additional \$1 DNA penalty for every \$10 or fraction thereof upon every fine, penalty, and forfeiture levied on criminal offenses including traffic offenses, but excluding parking offenses. For traffic school violations, the DNA penalty assessments are part of the total bail. Therefore, it is part of the

TVS fee, pursuant to VC section 42007, and there is no specific distribution to the DNA fund from the TVS fees.

The inappropriate distribution of TVS fees understates revenues to the county and affects the revenues reported to the State Trial Court Improvement Fund under the MOE formula pursuant to GC section 77205. We did not measure the fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

#### Recommendation

The Revenue and Recovery Department should update its automated system formulas to accurately reflect proper distributions for TVS cases. Also, the department should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

### **FINDING 13— Incorrect prioritization of installment payments**

The Revenue and Recovery Department collection of installment payments are still being distributed in a manner that incorrectly gave distribution priority to the adult offender work program, work program insurance, booking fees, installment fees, and public defender fees. This finding was noted in the prior court revenue audits. County and court staff members, working in a joint effort to align the department's system with the courts' automated system, were not aware that they had programmed incorrect distribution formulas for installment payments.

Prior to September 30, 2002, the installment payments were prorated in accordance with the State Controller's Office Accounting Manual using one of the following methods: (1) equitable loss, (2) limited component, or (3) category distribution.

Effective October 1, 2002, PC section 1203.1d requires a mandatory prioritization in the distribution of all installment payments as follows:

1. Restitution orders to victims;
2. 20% state surcharge;
3. Fines, penalty assessments, and restitution fines; and
4. Other reimbursable costs such as civil assessment and installment fees.

Failure to make the required priority distribution causes state and county revenues to be misstated. We did not measure the fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

#### Recommendation

The Revenue and Recovery Department should update the distribution formulas within its automated system to comply with statutory requirements. Also, the department should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

**FINDING 14—  
Incorrect distribution  
for city-based red-light  
violations**

The Yuba County Superior Court incorrectly computed distributions for the first 30% portion of red-light violations for the City of Marysville, causing an overpayment to the city in the amount of \$129,855. Court staff members programmed the wrong components in the automated system to calculate the first 30% portion for city-based red-lights violations.

Effective January 1, 1998, fines for red-light offenses should have been distributed monthly in this manner: after deducting the allowable 2% court automation fee, 30% of the total bail (including state and local penalties) to the county or city general fund in which the offenses occurred and the balance (70%) pursuant to PC sections 1463 and 1464, and GC section 76000.

PC section 1463.11 requires that 30% of red-light violations be distributed to the general fund of the county or city in which the offense occurred. In addition, if the red-light violation is referred to traffic violator school, VC section 42007.3 the first 30% of the amount collected shall be allocated to the general fund of the city or county in which the offense occurred.

The incorrect computation of the 30% portion for city-based red-light violations had the following effect:

Account Title	Understated/ (Overstated)
20% State Surcharge–PC §1465.7	\$ 75,322
State Penalties 70%–PC §1464	(7,894)
State DNA Penalty Fund–GC §76104.6	14,665
State DNA Penalty Fund–GC §76104.7	18,615
State Court Construction Penalties–GC §70372(a)	3,747
2% Court Automation Fund–GC §68090.8	(4,177)
County General Fund–CGF/ROAD–PC §1463.001	3,250
County–State Penalties 30%–CPC–PC §1464	2,177
County–Courthouse Construction Fund–CCF–PC §76100	(15,916)
County–County Jail Facility–CJF–PC §76101	(1,898)
County DNA Fund–DNA–GC §76104.6	15,181
County EMS Fund–EMS–GC §76104	(2,404)
County EMS Richie Fund–EMS200–GC §76000.5	4,536
City of Marysville–MCF 30%–PC §1463.11	(129,855)
City of Marysville–Base Fines–PC §1463.002	24,651

**Recommendation**

The county should remit \$100,278 to the State Treasurer and report on the remittance advice form (TC-31) an increase in the amount of \$75,322 to State Surcharge, \$14,665 to the DNA Penalty Fund–GC section 76104.6, \$18,615 to the DNA Penalty Fund–GC section 76104.6, \$3,747 to the State Court Construction Penalty Fund; and a decrease in the amount of \$7,894 to the State Penalty Fund, and \$4,177 to the 2% State Court Automation Fund.

The court should correct the program errors in the automated system to calculate the first 30% portion for red-light violations. Also, the court should also make the corresponding account adjustments for the period of July 2009 through the date on which the current system is revised.

**FINDING 15—  
Incorrect distribution  
for city-based red-light  
violations and TVS fees**

The Yuba County Superior Court incorrectly computed distributions for the first 30% portion of red-light violations when traffic violator school was referred for the City of Marysville, and did not distribute the balance as TVS fees. Court staff programmed the wrong components in their automated system to calculate the first 30% portion of city-based red-light violations, and to distribute the balance as TVS fees.

Effective January 1, 1998, fines for red-light offenses should have been distributed monthly in this manner: after deducting the allowable 2% court automation fee, 30% of the total bail (including state and local penalties) to the county or city general fund in which the offenses occurred and the balance (70%) pursuant to PC sections 1463 and 1464, and GC section 76000.

Effective July 1, 1998, when a defendant attends traffic violator school pursuant to VC section 42007 on a city arrest, the city will receive the same portion of the base fine that would have been allotted to it if the defendant had not attended traffic violator school.

PC section 1463.11 requires that 30% of red-light violations be distributed to the general fund of the county or city in which the offense occurred. In addition, if the red-light violator is referred to traffic violator school, VC section 42007.3 requires 30% of the TVS fee collected shall be allocated to the general fund of the city or county in which the offense occurred.

The incorrect distributions of TVS fees affects the revenues reported to the State Trial Court Improvement Fund under the MOE formula pursuant to GC section 77205.

The incorrect computation of the first 30% portion for city-based red-light violations referred to traffic violator school had the following effect:

Account Title	Understated/ (Overstated)
20% State Surcharge–PC §1465.7	\$ 27,168
State Penalties 70%–PC §1464	(543,279)
State DNA Penalty Fund–GC §76104.6	(41,792)
State DNA Penalty Fund–GC §76104.7	(39,655)
State Court Construction Penalties–GC §70372a	10,907
2% Court Automation Fund–GC §68090.8	(51,603)
County General Fund–CGF/ROAD–PC §1463.001	(110,888)
County–30% State Penalties–CPC–PC §1464	(226,949)
County–Courthouse Construction Fund–CCF–GC §76100	(313,949)
County–Criminal Justice Facility Fund–CJF–GC §76101	(69,698)
County DNA Fund–DNA–GC §76104.6	(37,113)
County EMS Fund–EMS Fund–GC §76104	13,011
County EMS Richie Fund–EMS200–GC §76000.5	530
County TVS–TV–CGF–VC §42007	1,385,233
City of Marysville–MCF 30%–PC §1463.002	(111,529)
City of Marysville–MSVLTV–VC §42007	109,606



Recommendation

The county should reduce remittances to the State Treasurer by \$638,254 and report on the remittance advice (TC-31) a decrease in the amount of \$543,279 to the State Penalty Fund, \$41,792 to the State DNA Penalty Fund—GC section 76104.6, \$39,655 to the State DNA Penalty Fund—GC section 76104.7, \$51,603 to the 2% State Court Automation Fund; and an increase in the amount of \$27,168 to the State Surcharge Fund, and \$10,907 to the State Court Construction Penalty Fund.

The court should correct the program errors in its automated system to calculate the 30% portion and to distribute the balance as TVS fees. Also, the court should make the corresponding account adjustments for the period of July 2009 through the date on which the current system is revised.

**FINDING 16—  
Incorrect distributions  
TVS fees**

The Yuba County Superior Court incorrectly computed the distributions for violations involving TVS fees. Court staff members were not aware that they had programmed the incorrect formulas for the distribution of TVS fees in the automated system.

Effective January 2000, for all traffic school violations, VC section 42007 requires that \$2 for every \$7 county penalty that would have been collected pursuant to GC section 76000 shall be deposited into a Maddy Emergency Services (EMS) Fund. Additionally, in any county which a fund is established pursuant GC sections 76100 and 76101, requires a distribution of \$1 for each Courthouse Construction Fund (CCF) and Criminal Justice Facility (CJF) fund from the distributions of the county's share of TVS fees collected.

Effective January 2006, GC section 76000.5, states that upon county board of supervisors' board resolution, the county can assess an additional \$2 EMS penalty against all fines including traffic violator school.

Effective November 2004, GC section 76107.6 requires a \$1 DNA penalty for every \$10 or fraction thereof upon every fine, penalty, and forfeiture levied on criminal offenses including traffic offenses, but excludes parking offenses. Therefore, it is part of the TVS fee pursuant to VC section 42007, and there is no specific distribution to the DNA fund from the TVS fees.

Effective July 2006, GC section 76104.7 requires an additional \$1 DNA penalty for every \$10 or fraction thereof upon every fine, penalty, and forfeiture levied on criminal offenses including traffic offenses, but excluding parking offenses. For traffic school violations, the DNA penalty assessments are part of the total bail. Therefore, it is part of the TVS fee pursuant to VC section 42007, and there is no specific distribution to the DNA fund from the TVS fees.

The incorrect distributions of TVS fees affects the revenues reported to the State Trial Court Improvement Fund under the MOE formula pursuant to GC section 77205.

The incorrect computations to distribute TVS fees had the following effect:

Account Title	Understated/ (Overstated)
20% State Surcharge–PC §1465.7	\$ 10,302
State DNA Penalty Fund–GC §76104.6	(25,973)
State DNA Penalty Fund–GC §76104.7	(27,461)
State Court Construction Penalties–GC §70372a	6,467
County–Courthouse Construction Fund–CCF–GC §76100	(2,384)
County DNA Fund–DNA–GC §76104.6	(24,289)
County EMS Fund–EMS–GC §76104	90,953
County EMS Richie Fund–EMS200–GC §76000.5	1,365
County TVS–TV–CGF–VC §42007	92,288
City of Marysville–MSVLTV–VC §42007	(115,259)
City of Wheatland–WHTLTV–VC §42007	(6,009)

#### Recommendation

The county should reduce remittances to the State Treasurer by \$36,665 and report on the remittance advice form (TC-31) a decrease in the amount of \$25,973 to the State DNA Penalty Fund–GC section 76104.6, \$27,461 to the State DNA Penalty Fund–GC section 76104.7; and an increase in the amount of \$10,302 to the State Surcharge Fund–PC section 1465.7 and \$6,467 to the State Court Construction Penalty Fund–GC section 70372(a).

The court should correct the program errors in its automated system to calculate the distributions for TVS fees. Also, the court should make the corresponding account adjustments for the period of July 2009 through the date on which the current system is revised.

#### **FINDING 17— Incorrect distribution for \$1 Criminal Justice Facilities Fund and \$1 Courthouse Construction Fund**

The Yuba County Superior Court incorrectly distributed \$1 to the Criminal Justice Facilities Fund and \$1 to the Courthouse Construction Fund by \$44,806 on TVS-related violations. Court staff members were not aware that they had programmed the \$2 to come out of the total TVS bail and not out of the county's 23% portion of TVS bail.

VC section 42007 requires the \$2 to be taken from the county's portion of TVS fees in any county in which funds are established pursuant to GC section 76100/101.

The incorrect distributions for TVS violations affect the revenues reported to the State Trial Court Improvement Fund under the MOE formula pursuant to GC section 77205.

The incorrect distribution for the criminal justice facility and courthouse constructions funds had the following effect:

Account Title	Understated/ (Overstated)
Traffic Violator School Fees–VC §42007	\$ 44,806
Criminal Justice Facilities Fund–GC §76101	(22,403)
Courthouse Construction Fund–GC §76100	(22,403)

#### Recommendation

The Superior Court should implement procedures to correct the programmed distributions for the Criminal Justice Facility Fund and the Courthouse Construction Fund from TVS bail. Also, the court should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

#### **FINDING 18— Incorrect distribution for proof-of correction fees**

The Yuba County Superior Court incorrectly computed the 34% state share of distribution for proof-of-correction fees. Court staff members were not aware that they had programmed the incorrect formulas for proof-of-correction distributions in their automated system.

Proof-of-correction fees should have been distributed under VC section 40611 in this manner: 34% to the State Penalty Fund–Proof of Correction, 33% to the County General Fund, and 33% to the arresting entity.

Failure to accurately distribute proof-of-correction fees causes an understatement of revenue to the State and an overstatement of revenues to the county and cities. We did not measure the fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

#### Recommendation

The Superior Court should update its automated system to accurately reflect the correct distributions for proof-of-correction infractions. Also, the court should make the corresponding redistributions for the period July 2009 through the date on which the current system is revised.

#### **FINDING 19— Incorrect distributions for evidence-of- financial-responsibility violations**

The Yuba County Superior Court distributed evidence-of-financial-responsibility violations based on collections and not on convictions. As a result, the fine component is levied as a fee without penalties. Court staff members were not aware that they had programmed the incorrect formulas for distributions in the automated system for the convictions of evidence of financial responsibility.

A \$30.50 fee on each conviction of a proof-of-financial-responsibility violation identified under PC section 16028 is required to be distributed per conviction in this matter: \$17.50 to the County General Fund pursuant to PC section 1463.22(a), \$10 to the State General Fund

pursuant to PC section 1463.22(c), and \$3 to the State Transportation Fund pursuant to PC section 1463.22(b).

Failure to make the required fine distribution upon each conviction of evidence-of-financial-responsibility violation causes distributions to the State and county to be inaccurately stated. We did not measure the fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

#### Recommendation

The Superior Court should update its automated system distributions for evidence of financial responsibility to be based on convictions on a count sheet at month-end to adjust the appropriate accounts and apply the changes to the month-end cash statement. Also, the court should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

#### **FINDING 20— Incorrect distributions on DUI cases**

The Yuba County Superior Court did not apply the required special distribution on the fine component for DUI cases. As a result, the special distributions on the fine component are levied as a fee without penalties. Court staff was not aware that they had programmed the incorrect formulas for the special distributions on the fine component for DUI cases in its automated system.

VC section 23536 requires that a DUI conviction be imposed a fine of not less than \$390 nor more than \$1,000; the fine component is inclusive of the special distributions for PC section 1463.14(a) (Alcohol and Drug Test Amount), PC section 1463.16(a) (Alcohol Program and Services Amount), and PC section 1463.18 (Indemnification of Victims).

Therefore, PC section 1464 states there shall be levied a state penalty, in an amount equal to \$10 for \$10 or fraction thereof, upon every fine, penalty, or forfeiture imposed and collected by the courts for criminal offenses, except parking offenses involving a violation of a section of the Vehicle Code or any local ordinance adopted pursuant to the Vehicle Code.

Failure to make the required priority distributions causes distributions to base fines to be overstated and state and county penalties to be understated. We did not measure the fiscal effect, as doing so is not cost-effective due to the difficulty inherent in identifying and redistributing the various accounts.

#### Recommendation

The Superior Court should update its formulas in its automated system to ensure that DUI violations are correctly distributed in accordance with statutory requirements. Also, the court should make the corresponding redistributions for the period of July 2009 through the date on which the current system is revised.

**Attachment—  
County Auditor-Controller's Response  
to Draft Audit Report**

---

# The County of Yuba

## AUDITOR - CONTROLLER



DEAN E. SELLERS

915 8<sup>TH</sup> Street, Suite 105  
Marysville, CA 95901-5273  
(530) 749-7810

January 14, 2011

State of California  
Local Government Audits Bureau  
State Controller's Office  
Division of Audits  
Steven Mar, Chief  
P O Box 942850  
Sacramento CA 94250-5874

Dear Mr. Mar,

Our office is in receipt of your certified copy of the draft report regarding the audit for the period of July 1, 2004 through June 30, 2009. Our responses to the findings are as follows:

- 1 Concur Auditor-Controller will prepare TC-31 and remit \$412,902 under remitted MOE per GC77205a.
- 2 Concur Auditor-Controller notified State Controller by letter in fiscal year errors were detected.
- 3 Concur No County records to adjust.
- 4 Concur No County records to adjust.
- 5 Concur Auditor-Controller has remitted Court Facilities Construction Funds, TC-31 58-0668:  
5- 13-2010, warrant #17-432208; \$546,908.87.
- 6 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 7 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 8 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 9 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 10 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 11 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 12 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 13 Concur Courts have updated automated system (Jalan) to reflect correct priority of installment payments.
- 14 Concur Auditor-Controller will prepare a TC-31 and remit \$100,278.  
Courts have updated automated system (Jalan) to reflect correct distribution.
- 15 Concur Auditor-Controller will prepare a TC-31 to reflect over remittance of \$638,254.  
Courts have updated automated system (Jalan) to reflect correct distribution.
- 16 Concur Auditor-Controller will prepare a TC-31 to reflect over remittance of \$36,665.  
Courts have updated automated system (Jalan) to reflect correct distribution.
- 17 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 18 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 19 Concur Courts have updated automated system (Jalan) to reflect correct distribution.
- 20 Concur Courts have updated automated system (Jalan) to reflect correct distribution.

Very truly yours,

Dean E Sellers,  
Auditor-Controller

Very truly yours,

H. Stephen Konishi,  
Court Executive Officer

**State Controller's Office  
Division of Audits  
Post Office Box 942850  
Sacramento, CA 94250-5874**

**<http://www.sco.ca.gov>**